

Major Mines of Nevada 1999



Mineral Industries in
Nevada's Economy

NEVADA COMMISSION ON MINERAL RESOURCES

Division of Minerals

The Nevada Division of Minerals, a part of the Commission on Mineral Resources, is responsible for administering programs and activities to promote, advance, and protect mining and the development and production of petroleum and geothermal resources in Nevada. The Division's mission is to conduct activities to further the responsible development and production of the State's mineral resources to benefit and promote the welfare of the people of Nevada. The seven-member Commission on Mineral Resources is a public body appointed by the Governor and directs mineral-related policy for the Division and advises the Governor and Legislature on matters relating to mineral resources. The Division focuses its efforts on three main areas: Industry relations and public affairs; regulation of oil, gas, and geothermal drilling activities and well operations; and abandoned mine lands.

The agency is involved in a wide array of activities relating to mineral development. Staff compiles annual data on all active mines in Nevada and maintains the State's mine registry. Information concerning mining operations and production is made available to the public through this yearly publication. Educational documents and materials concerning many aspects of the minerals industry are also produced. The Division participates in governmental activities affecting policies and laws concerning the minerals industry and resource development. The Division administers the State's reclamation bond pool.

The Division is responsible for permitting, inspecting, and monitoring all oil, gas, and geothermal drilling activities on both public and private lands in Nevada. Staff also monitors production of oil, gas, and geothermal resources to insure proper management and conservation. The Administrator is the Governor's Official Representative to the Interstate Oil and Gas Compact Commission.

The Division's abandoned mine lands program provides for public safety by identifying and ranking dangerous conditions at mines that are no longer operating, and by securing dangerous orphaned mine openings. The program continually urges the public to recognize and avoid hazardous abandoned mines.

Commission on Mineral Resources

Fred D. Gibson, Jr., Chairman (Large Scale Mining)

Peter Hummel, Vice-Chairman (Oil & Gas)

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John T. McDonough (Large Scale Mining)

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Front cover: Gold Quarry Mine (Newmont Gold Corp.), photo by Newmont.

Nevada Bureau of Mines and Geology

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Mineral Industries in Nevada's Economy

By Doug Driesner and Alan Coyner

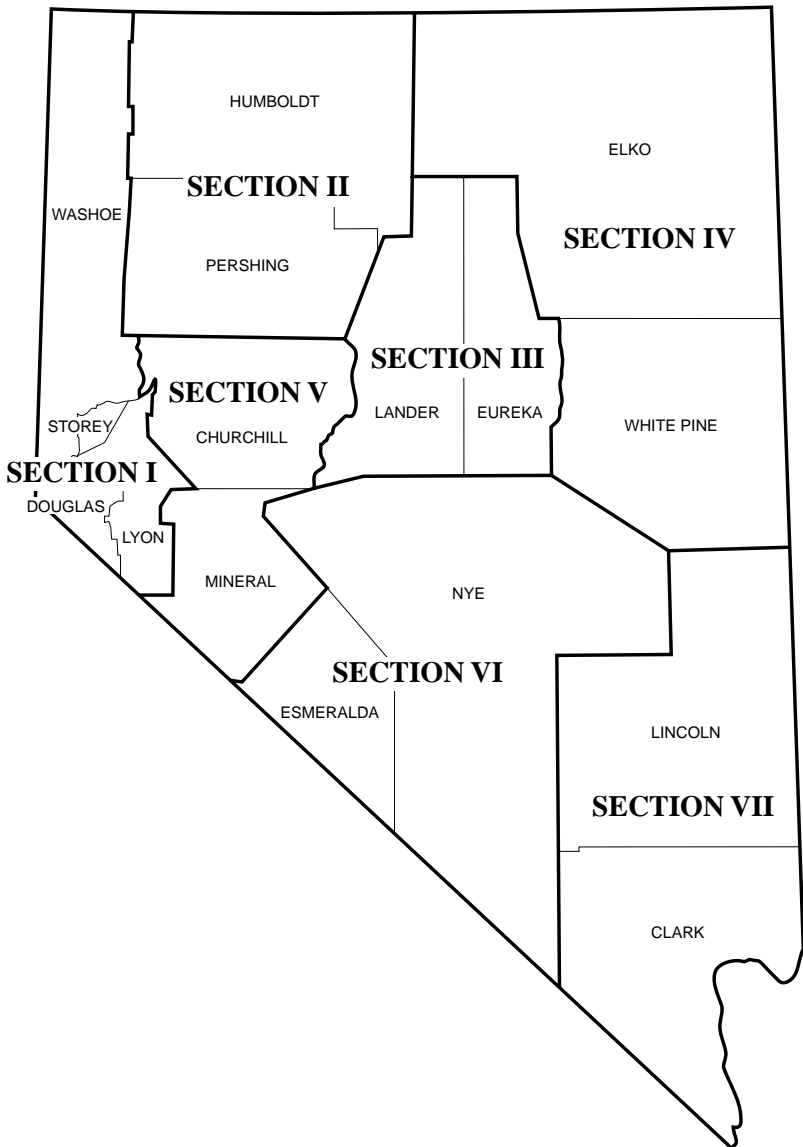
The Nevada Division of Minerals

2000

This is the eleventh of an annual series of summary reports on major mines of Nevada. Sand and gravel operations are not included. Information on employment and production for the calendar year 1999 was provided by the individual mine operators. The Nevada Division of Minerals maintains a complete register of Nevada mines. For further information, contact them at 400 W. King, Suite 106, Carson City, Nevada 89703 or call (775) 687-5050, or visit their Web site at **www.state.nv.us/minerals**.

MACKAY SCHOOL OF MINES

UNIVERSITY
OF NEVADA
RENO



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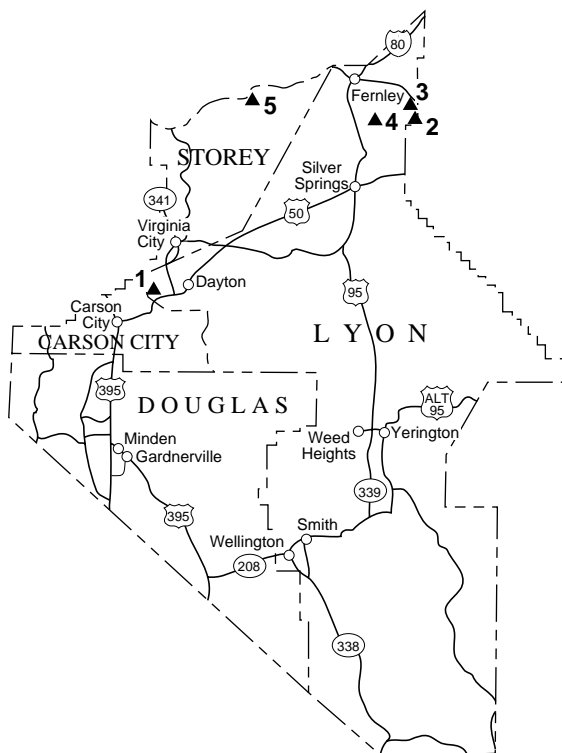
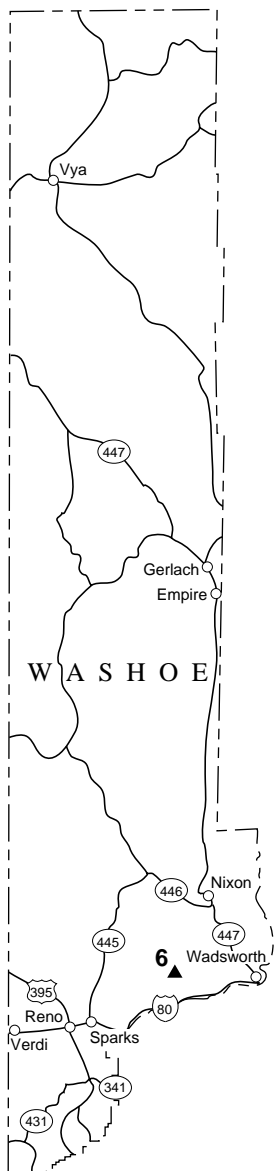
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Section I

Lyon County

Adams Claim Gypsum Mine (1)

Operator:

Art Wilson Co.
P.O. Box 20160
Carson City, NV 89721
775-882-0700 Fax: 882-0790
Company employees: 7

Production:

Gypsum - 145,447 tons

CR Minerals Mine (2)

Operator:

CR Minerals Corp.
P.O. Box 858
Fernley, NV 89408
775-575-2536 Fax: 575-4857
Company employees: 18

Production:

Diatomite

Hazen Pit (3)

Operator:

Eagle-Picher Minerals, Inc.
P.O. Box 10408
Reno, NV 89510
775-824-7700 Fax: 824-7715

Production:

Diatomite

NCC Limestone Quarry (4)

Operator:

Nevada Cement Co.
P.O. Box 840
Fernley, NV 89408
775-575-2281 Fax: 575-4387
Company employees: 130

Production:

Limestone/Clay

Storey County

Clark Mine and Mill (5)

Operator:

Eagle-Picher Minerals, Inc.
P.O. Box 10408
Reno, NV 89510
775-824-7700 Fax: 824-7715
Company employees: 74

Production:

Diatomite

Washoe County

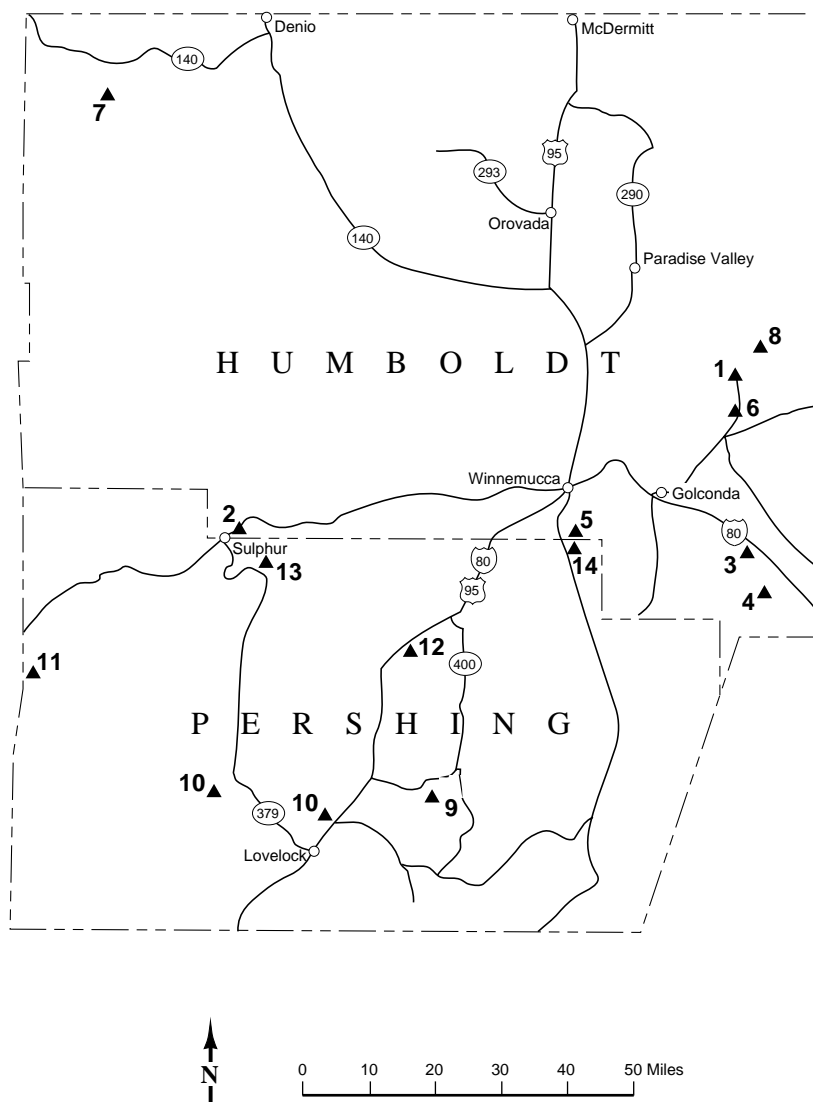
Olinghouse Mine (6)

Operator:

Alta Gold Co.
1525 E. Newlands Dr. #1
Fernley, NV 89408
775-575-0583 Fax: 575-0617
Company employees: 23

Production:

Gold - 28,655 oz
Silver - 17,598 oz



Section II

Humboldt County

Getchell and Turquoise Ridge Mines (1)

Operator:

Getchell Gold Corp.
P.O. Box 220
Golconda, NV 89414
775-529-5001 Fax: 529-0752
Company employees: 314

Production:

Gold - 111,000 oz

Hycroft Mine (2)

Operator:

Hycroft Resources & Dev., Inc.
P.O. Box 3030
Winnemucca, NV 89446
775-623-5260 Fax: 623-0215
Company employees: 35

Production:

Gold - 40,075 oz
Silver - 183,190 oz
Mercury - 17.9 tons

Lone Tree Mine (3)

Operator:

Newmont Mining Corp.
P.O. Box 388
Valmy, NV 89438
775-635-9000 Fax: 635-0111
Company employees: 351

Production (includes Trenton Canyon):

Gold - 240,091 oz
Silver - 34,357 oz

Marigold Mine (4)

Operator:

Rayrock Mines, Inc.
P.O. Box 9
Valmy, NV 89438
775-623-9571 Fax: 635-2551
Company employees: 88

Production:

Gold - 74,000 oz

MIN-AD Mine and Mill (5)

Operator:

MIN-AD, Inc.
4210 W. Jungo Road
Winnemucca, NV 89445
775-623-5944 Fax: 623-9028
Company employees: 15
Contract employees: 6

Production:

Dolomite - 64,151 tons

Pinson Mine (6)

Operator:

Pinson Mining Co.
P.O. Box 129
Winnemucca, NV 89446
775-529-5026 Fax: 529-5030
Company employees: 13

Production:

Gold - 11,975 oz
Silver - 442 oz

Royal Peacock Opal Mine (7)

Operator:

Walter Wilson
1 Homestead Road P.O. 144
Orovada, NV 89425
775-941-0374

Production:

Precious opal

Twin Creeks Mine (8)

Operator:

Newmont Mining Corp.
P.O. Box 69
Golconda, NV 89414
775-623-4300 Fax: 635-4602
Company employees: 721
Contract employees: 60

Production:

Gold - 610,728 oz
Silver - 110,448 oz



Lone Tree mill (Newmont Mining Corp.),
photo by Nevada Division of Minerals

Pershing County

Coeur Rochester Mine (9)

Operator:

Coeur D'Alene Mines Corp.
P.O. Box 1057
Lovelock, NV 89419
775-273-7995 Fax: 273-7423
Company employees: 238

Production:

Gold - 70,396 oz
Silver - 6,195,169 oz

Colado Mine and Plant (10)

Operator:

Eagle-Picher Minerals, Inc.
150 Coal Canyon Road
Lovelock, NV 89419
775-824-7540 Fax: 824-7582
Company employees: 140

Production:

Diatomite, Perlite

Empire Mine (11)*Operator:*

United States Gypsum Co.
P.O. Box 130
Empire, NV 89405
775-557-2341 Fax: 557-2212
Company employees: 146

Production:

Gypsum - 582,439 tons

Florida Canyon Mine (12)*Operator:*

Florida Canyon Mining, Inc.
P.O. Box 330
Imlay, NV 89418
775-538-7300 Fax: 538-7324
Company employees: 170
Contract employees: 22

Production:

Gold - 139,590 oz
Silver - 11,232 oz

Rosebud Mine (13)*Operator:*

Hecla Mining Co.
P.O. Box 2610
Winnemucca, NV 89446
775-623-6912 Fax: 623-6967
Company employees: 93
Contract employees: 2

Production:

Gold - 112,652 oz
Silver - 247,900 oz

W. Glen Sexton Family Trust (14)*Operator:*

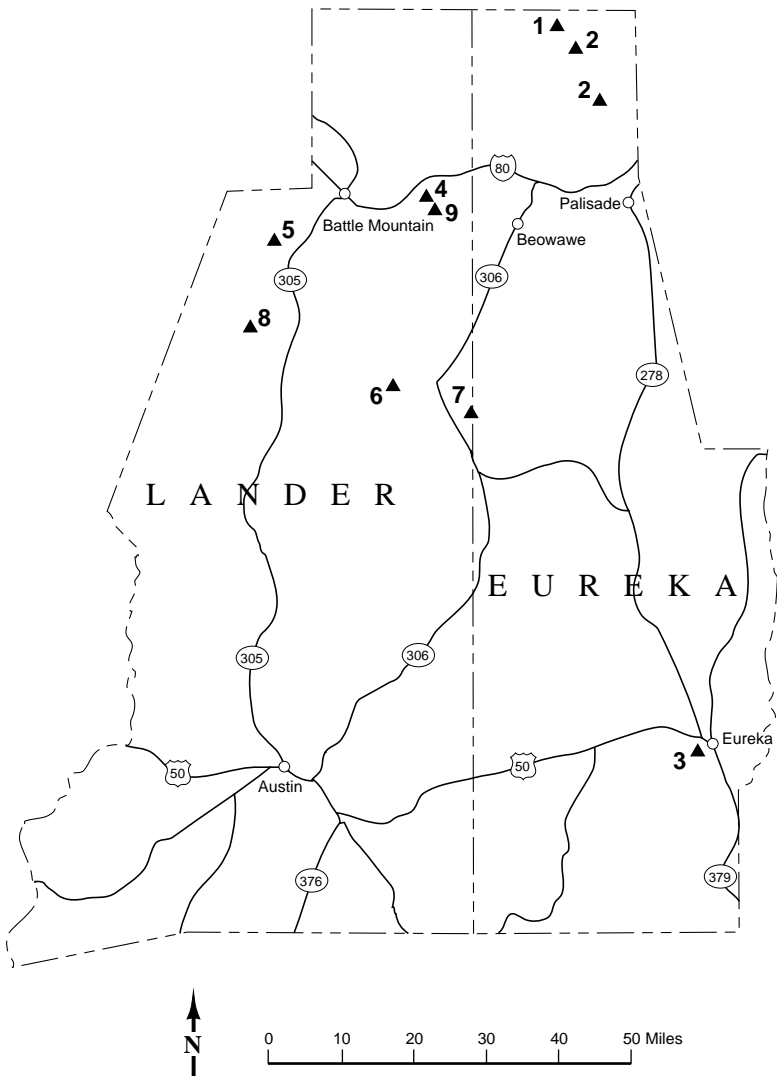
Nutritional Additives Corp.
415 Wellington Street
Winnemucca, NV 89445
775-623-1151 Fax: 623-1153
Company employees: 8

Production:

Dolomite



**Blast at Twin Creeks Mine (Newmont Mining Corp.),
photo by Nevada Division of Minerals**



Section III

Eureka County

Betze-Post Mine (1)

Operator:

Barrick Goldstrike Mines, Inc.
P.O. Box 29
Elko, NV 89803
775-778-8191 Fax: 738-6543
Company employees: 1,302
Contract employees: 290

Production:

Gold - 1,130,094 oz
Silver - 65,804 oz

Ruby Hill Mine (3)

Operator:

Homestake Mining Co.
P.O. Box 676
Eureka, NV 89316
775-237-6060 Fax: 237-5408
Company employees: 92
Contract employees: 6

Production:

Gold - 123,841 oz
Silver - 7,688 oz

Carlin Operations (2)

Operator:

Newmont Mining Corp.
P.O. Box 669
Carlin, NV 89822
775-778-4000 Fax: 778-4757
Company employees: 1,400

Production:

Gold - 1,365,866 oz
Silver - 222,090 oz



**Gold Quarry Mine (Newmont Mining Corp.),
photo by Nevada Division of Minerals**

Lander County

Argenta Mine and Mill (4)

Operator:

Baker Hughes INTEQ
P.O. Box 277
Battle Mountain, NV 89820
775-635-5441

Company employees: 18

Shipped:

Barite - 48,153 tons

Battle Mountain Complex (5)

Operator:

Battle Mountain Gold Co.
P.O. Box 1627
Battle Mountain, NV 89820
775-635-2465 Fax: 635-8677

Company employees: 22

Contract employees: 1

Production:

Gold - 8,322 oz

Silver - 19,526 oz

Battle Mountain Grinding Plant (Greystone Mine) (6)

Operator:

M-I L.L.C.
P.O. Box 370
Battle Mountain, NV 89820
775-635-5135 Fax: 635-2191

Company employees: 60

Shipped:

Barite - 218,469 tons

Cortez Gold Mines (7)

Operator:

Placer Dome U.S. Inc.
HC66-50
Beowawe, NV 89821
775-468-4400 Fax: 468-4496
Company employees: 400
Contract employees: 2

Production:

Gold - 1,328,525 oz

McCoy/Cove Mine (8)

Operator:

Echo Bay Minerals Co.
P.O. Box 1658
Battle Mountain, NV 89820
775-635-5500 Fax: 635-5098
Company employees: 280

Production:

Gold - 124,500 oz

Silver - 8,430,000 oz

Mule Canyon (9)

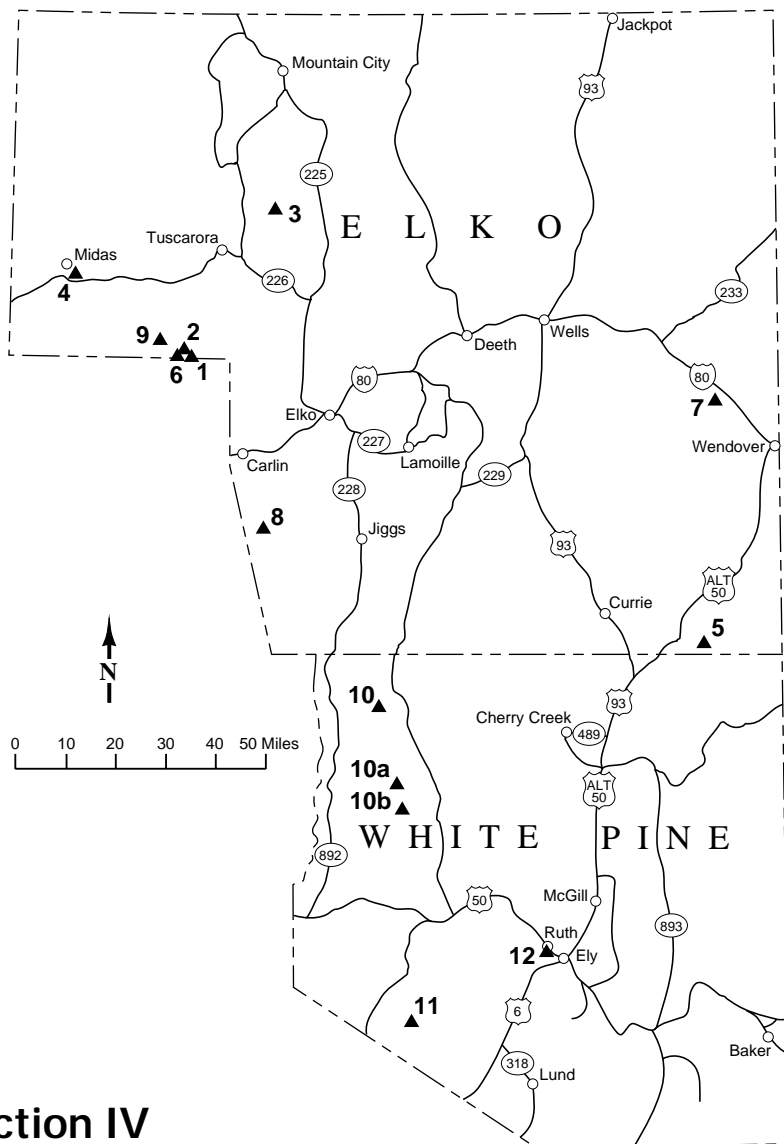
Operator:

Newmont Mining Corp.
P.O. Box 338
Valmy, NV 89438
775-635-9000 Fax: 635-0111
Company employees:
included with Lone
Tree Mine

Production:

Gold - 55,392 oz

Silver - 10,022 oz



Section IV

Elko County

Capstone/Bootstrap Mine (1)

Operator: Newmont Mining Corp.

P.O. Box 669

Carlin, NV 89822

775-778-4000 Fax: 778-4757

Employees: included with
Carlin Operations

Production: Gold - 147,088 oz

Silver - 28,395 oz

Dee Gold Mine (2)

Operator: Glamis Gold, Inc.

P.O. Box 160

Valmy, NV 89438

775-635-8810 Fax: 635-8858

Company employees: 50

Contract employees: 20

Production: Gold - 36,329 oz

Silver - 68,400 oz



**Ken Snyder Mine (Dynatec Mining Corp.),
*photo by Nevada Division of Minerals***

Jerritt Canyon Mine (3)*Operator:*

Anglo Gold (Jerritt Canyon) Corp.
 HC31 Box 78
 Elko, NV 89801
 775-738-5006 Fax: 758-5453
 Company employees: 407

Production: Gold - 363,000 oz**Ken Snyder Mine (4)***Operator:* Dynatec Mining Corp.

HC 66 Box 105
 Midas, NV 89414-9801
 775-529-0611 Fax: 529-0612
 Company employees: 170
 Contract employees: 11

Production:

Gold - 182,345 oz
 Silver - 1,860,701 oz

Kinsley Mountain Mine (5)*Operator:* Alta Gold Co.

778 Great Basin Blvd.
 Ely, NV 89301
 775-289-3007 Fax: 289-4138
 Company employees: 8

Production: Gold - 1,543 oz**Meikle Mine (6)***Operator:* Barrick Goldstrike Mines, Inc.

P.O. Box 29
 Elko, NV 89803
 775-778-8191 Fax: 738-6543
 Company employees: 340
 Contract employees: 100

Production: Gold - 977,356 oz
 Silver - 263,225 oz

Pilot Peak Lime Plant (7)*Operator:* Continental Lime Inc.

P.O. Box 2520
 West Wendover, NV 89883
 775-483-5463 Fax: 483-5149
 Company employees: 50

Production: Lime**Rain Mine (8)***Operator:* Newmont Mining Corp.

P.O. Box 669
 Carlin, NV 89822
 775-778-4000 Fax: 778-4757
 Employees: included with
 Carlin Operations

Production: Gold - 23,447 oz
 Silver - 4,526 oz

Rossi Mine-Dunphy Mill (9)*Operator:* BAROID (Halliburton

Energy Services, Inc.)
 912 Dunphy Ranch Rd.
 Battle Mountain, NV 89820
 775-468-0515 Fax: 468-2060
 Company employee: 1
 Contract employees: 44

Shipped: Barite - 89,402 tons**White Pine County****Bald Mountain Mine (10)***Operator:* Placer Dome U.S. Inc.

P.O. Box 2706
 Elko, NV 89803
 775-744-4227 Fax: 744-4216
 Company employees: 158

*Production (includes Casino/Winrock,
 Little Bald Mountain, Alligator Ridge
 [10a], and Yankee [10b]):*

Gold - 105,475 oz, Silver - 18,058 oz

Griffon Mine (11)*Operator:* Alta Gold Co.

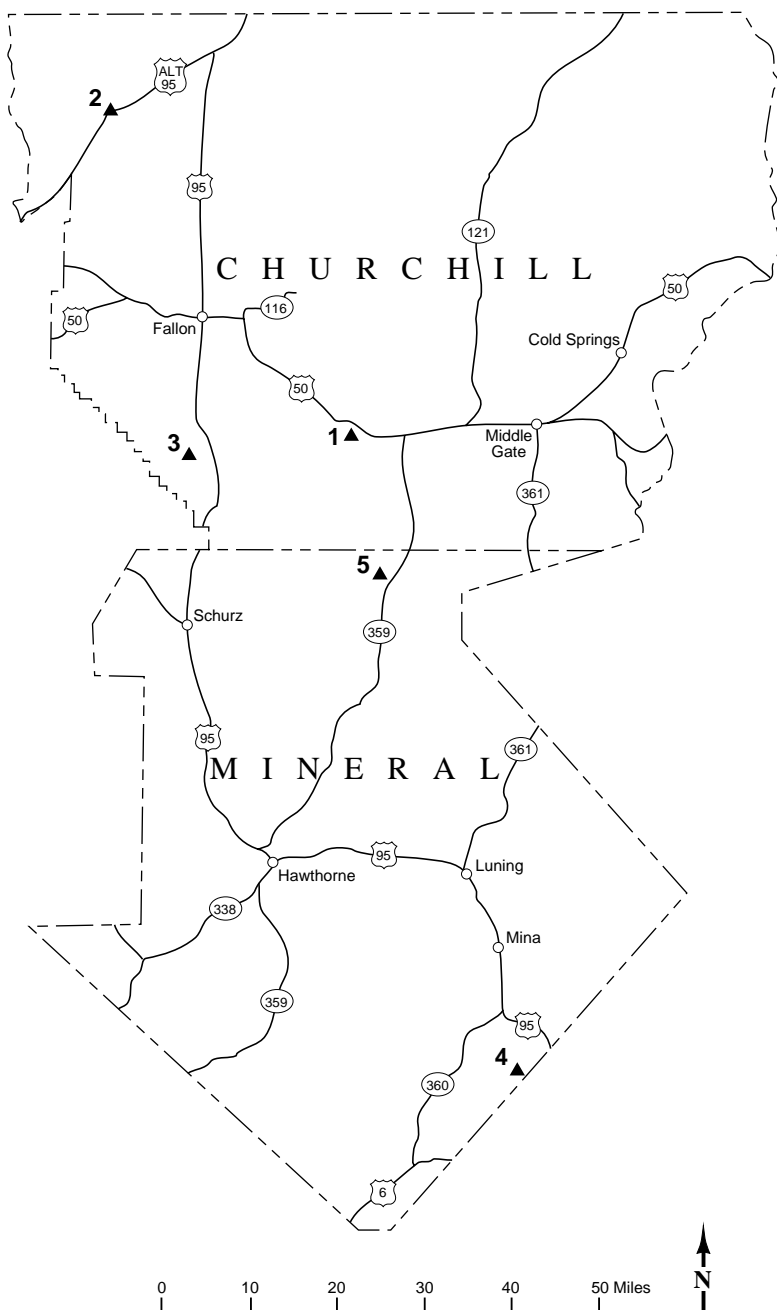
778 Great Basin Blvd.
 Ely, NV 89301
 775-289-3007 Fax: 289-4138
 Company employees: 7

Production: Gold - 24,740 oz**Robinson Mine (12)***Operator:*

BHP Nevada Mining Co.
 P.O. Box 382
 Ruth, NV 89319
 775-289-7214 Fax: 289-7103
 Company employees: 440

Production:

Concentrate containing:
 Copper - 61,755,000 pounds
 Gold - 26,250 oz
 Silver - 153,104 oz



Section V

Churchill County

Huck Salt (1)

Operator:

Huck Salt & Sons, Inc.
5033 Austin Hwy.
Fallon, NV 89406
775-423-2055 Fax: 423-0467
Company employees: 4

Production:

Salt - 15,355 tons

Moltan Company/Fernley Nevada Facility (2)

Operator:

Moltan Company
P.O. Box 860
Fernley, NV 89408
775-423-6668 Fax: 423-6411
Company employees: 51

Production:

Diatomite

Popcorn Perlite Mine (3)

Operator:

Eagle-Picher Minerals, Inc.
P.O. Box 10408
Reno, NV 89510
775-824-7700 Fax: 824-7633

Production:

Perlite

Mineral County

Candelaria Mine (4)

Operator:

Kinross Candelaria Mining Co.
P.O. Box 1240
Hawthorne, NV 89415
775-573-2471 Fax: 573-2520
Company employees: 2
Contract employees: 2

Production:

Silver - 96,896 oz
Gold - 237 oz

Denton-Rawhide Mine (5)

Operator:

Kennecott Rawhide Mining Co.
P.O. Box 2070
Fallon, NV 89407
775-945-1015 Fax: 945-1213
Company employees: 180
Contract employees: 4

Production:

Gold - 115,900 oz
Silver - 665,000 oz

Section VI

Esmeralda County

Basalt Mine and Mill (1)

Operator:

Grefco Minerals, Inc.
P.O. Box 288
Mina, NV 89422
Dicalite Toll Station #1
Fax: 760-872-6006
Company employees: 5

Production:

Diatomite

Mineral Ridge Mine (2)

Operator:

Mineral Ridge Resources, Inc.
P.O. Box 67
Silver Peak, NV 89047
775-937-2266 Fax: 937-2202
Company employees: 90
Contract employees: 2

Production:

Gold - 27,145 oz
Silver - 19,915 oz

Silver Peak Operations (3)

Operator:

Chemetall Foote Corp.
P.O. Box 98
Silver Peak, NV 89047
775-937-2222 Fax: 937-2250
Company employees: 68
Contract employees: 8

Production:

Lithium compounds

Nye County

Bullfrog Mine (4)

Operator:

Barrick Bullfrog, Inc.
P.O. Box 519
Beatty, NV 89003
775-553-2900 Fax: 553-2963
Company employees: 52

Production:

Gold - 76,159 oz
Silver - 90,967 oz

Daisy Gold Mine (5)

Operator:

Glamis Daisy Mining Co.
P.O. Box 190
Beatty, NV 89003
775-553-2234 Fax: 553-2295
Company employees: 6
Contract employees: 37

Production:

Gold - 30,660 oz

IMV Nevada (6)

Operator:

Mud Camp Mining Co. LLC
dba IMV Nevada
Route Box 549
Amargosa Valley, NV 89020
775-372-5341 Fax: 372-5640
Company employees: 31

Production:

Specialty clays - 31,142 tons

New Discovery Mine and Mill (7)

Operator:

Vanderbilt Minerals Corp.
2320 Viking Road
Las Vegas, NV 89109
702-732-3174 Fax: 731-3621
Company employees: 6

Production:

Specialty clay - 374 tons

Premier Chemical (8)

Operator:

Vesuvius
P.O. Box 177
Gabbs, NV 89409
775-285-2601 Fax: 285-4021
Company employees: 79

Production:

Magnesium oxide

**Smoky Valley Common
Operation (9)**

Operator:

Round Mountain Gold Corp.
P.O. Box 480
Round Mountain, NV 89045-0480
775-377-2366 Fax: 377-3240
Company employees: 673

Production:

Gold - 541,808 oz
Silver - 464,415 oz

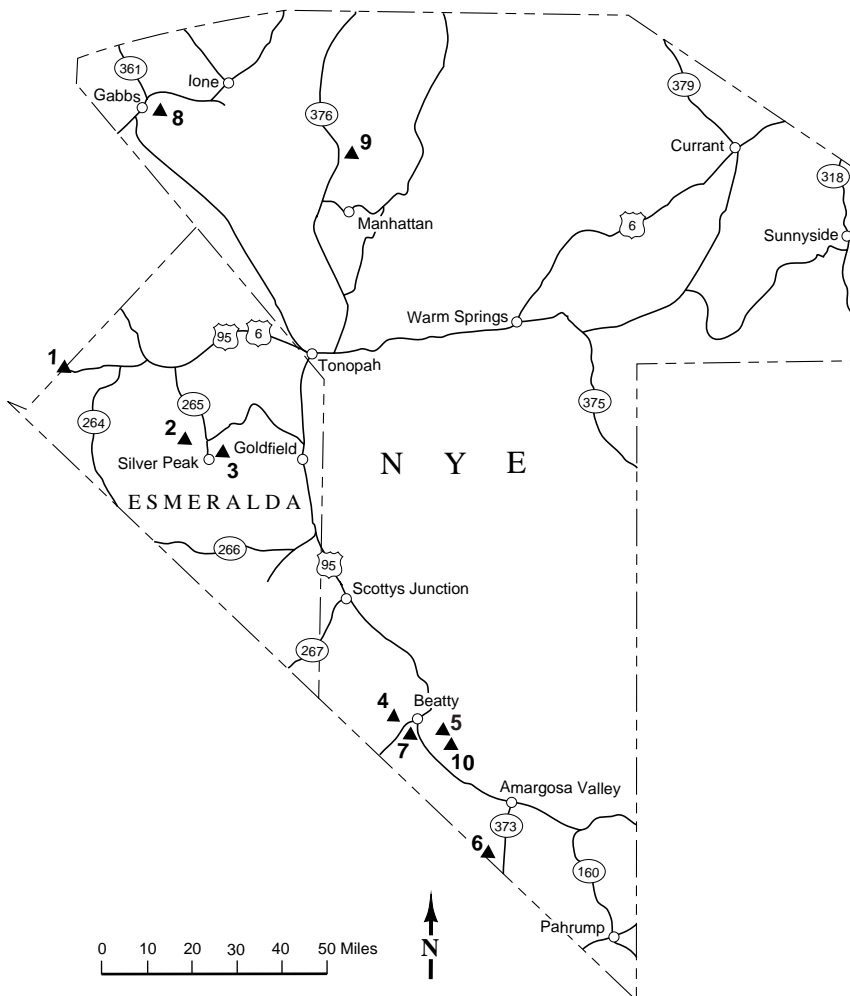
Sterling Mine (10)

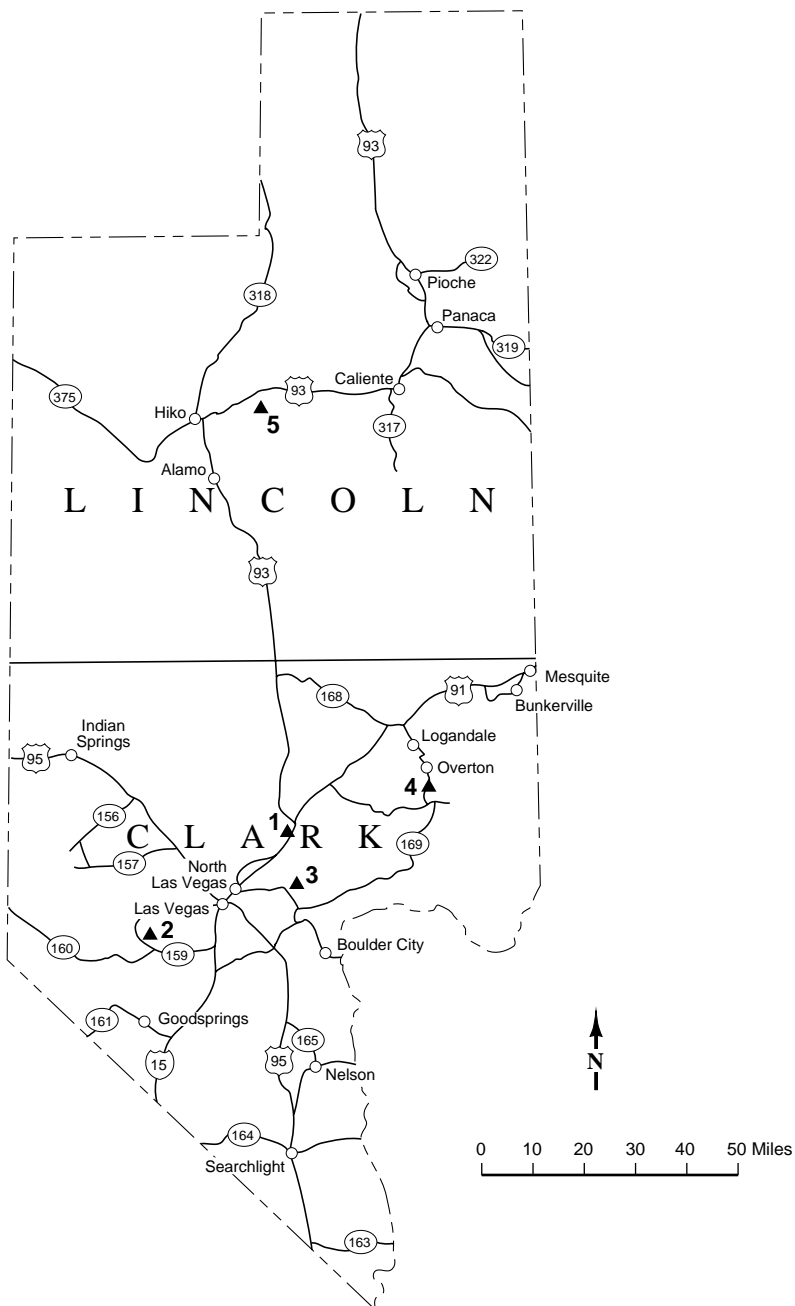
Operator:

Imperial Minerals
P.O. Box 549
Beatty, NV 89003
775-222-4844 Fax: 372-1720
Company employees: 12

Production:

Gold - 3,093 oz





Section VII

Clark County

Apex Quarry and Plant (1)

Operator:

Chemical Lime Co.
P.O. Box 3609
North Las Vegas, NV 89036
702-643-7702 Fax: 643-9517
Company employees: 60

Production:

Limestone, Lime

James Hardie Gypsum (2)

Operator:

James Hardie Gypsum
HCR 89033, Box 2900
Las Vegas, NV 89124
702-875-4111 Fax: 875-4213
Company employees: 121

Production:

Gypsum - 769,881 tons

PABCO Gypsum (3)

Operator:

Pacific Coast Building
Products, Inc.
1973 N. Nellis Blvd. #328
Las Vegas, NV 89115
702-643-1016 Fax: 643-6249
Company employees: 80
Contract employees: 3

Production:

Gypsum - 584,872 tons

Simplot Silica Products (4)

Operator:

Simplot Industries
P.O. Box 308
Overton, NV 89040
702-397-2667 Fax: 397-2798
Company employees: 44

Production:

Silica sand - 677,000 tons

Lincoln County

Mackie Perlite Mine (5)

Operator:

Wilkin Mining & Trucking, Inc.
P.O. Box 829
Panaca, NV 89042
775-728-4463 Fax: 728-4456
Company employees: 10

Production:

Perlite

SUMMARY OF 1999 PRODUCTION

Gold	8,261,000	ounces *
Silver	19,470,000	ounces *
Barite (shipped)	357,000	tons
Copper	61,755,000	pounds
Diatomite	**	
Dolomite	**	
Gypsum	2,600,000	tons
Limestone	**	
Lithium carbonate	**	
Magnesium oxide	**	
Mercury	**	
Perlite	**	
Precious opal	**	
Salt	15,355	tons
Silica sand	677,000	tons
Specialty clay	35,000	tons

*Includes production from smaller mines not listed
in this report.

**Proprietary information.

Economic Impacts of Mining in Nevada—1999

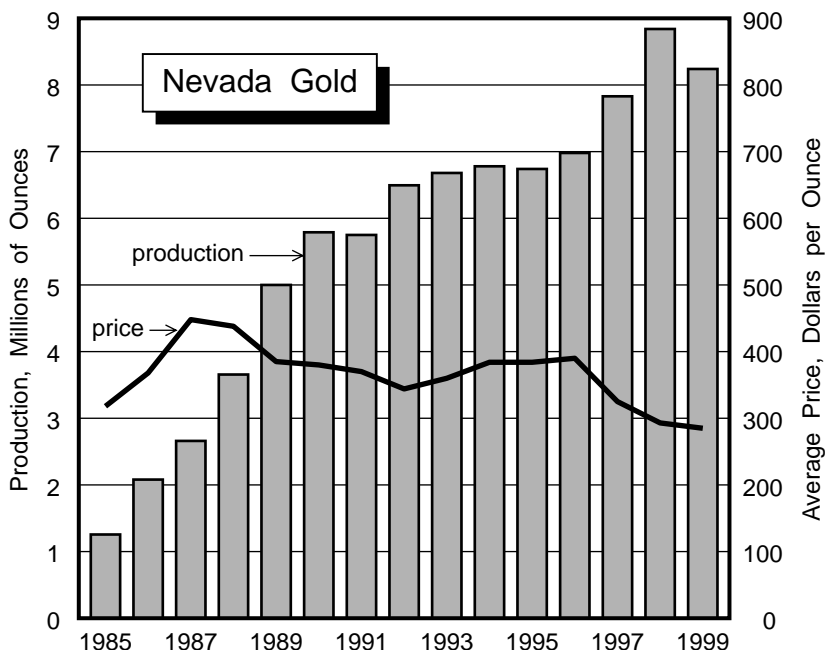
The Nevada mineral industry led the nation in 1999 in the production of gold, silver, and barite as it has for several years. Nevada also produced a wide variety of other mineral and energy commodities such as aggregates, clays, copper, diatomite, dolomite, geothermal energy, gypsum, lapidary and gem stones, lime and limestone, lithium compounds, magnesium compounds, oil, perlite, salt, silica, and specialty aggregates. The total value of Nevada's mineral production in 1999 was about \$2.7 billion (not including oil and geothermal energy), down from the 1998 level of \$3.2 billion. In terms of dollar value, the bulk of Nevada's mineral production is due to precious metal mining. The drop in value from 1998 to 1999 is a result of both lower gold production and declining gold prices.

Production Highlights

Nevada's gold production was 8,261,000 troy ounces in 1999, the second year in a row above the 8 million ounce mark. This was down from the 1998 record level of

8,865,000 troy ounces. Nevada is the third largest producer of gold in the world, behind only South Africa and Australia. Silver production was 19,470,000 troy ounces in 1999, down from 21,519,000 troy ounces in 1998. In spite of the drop in silver production, Nevada's nickname of the "Silver State" is still appropriate. Copper production was 61.8 million pounds, down from the 148.5 million pounds produced in 1998, due to the suspension of mining at the BHP Robinson Mine in mid-1999. Gypsum production increased significantly to 2.6 million tons in 1999, up from 2.0 million tons produced in 1998.

The decrease in gold production of about 600,000 ounces in 1999 compared to 1998 came from lower production at open pit operations. Underground operations produced 1.97 million ounces of gold in 1999, virtually unchanged from 1998. Underground operations produced nearly 24% of Nevada's total gold in 1999, up from 22% in 1998. Over three-fourths of the underground gold production came from operations in Elko County.



Employment

According to the Nevada Department of Employment, Training, and Rehabilitation, the Nevada mining industry employed approximately 12,360 employees for the last quarter of 1998 and the first three quarters of 1999, the latest year-long period for which employment figures are available. The total payroll for that period was \$667,901,986, making \$54,037 the average pay for mine workers, the highest average of any employment sector in the state. In addition, it is estimated that there are over 40,000 indirect jobs in the state related to providing goods and services needed by the mining industry. Mining employment dropped for the second year in a row due primarily to lower commodity prices and a slowdown in new mine development, particularly in the precious metals sector.

Taxes and Other Impacts

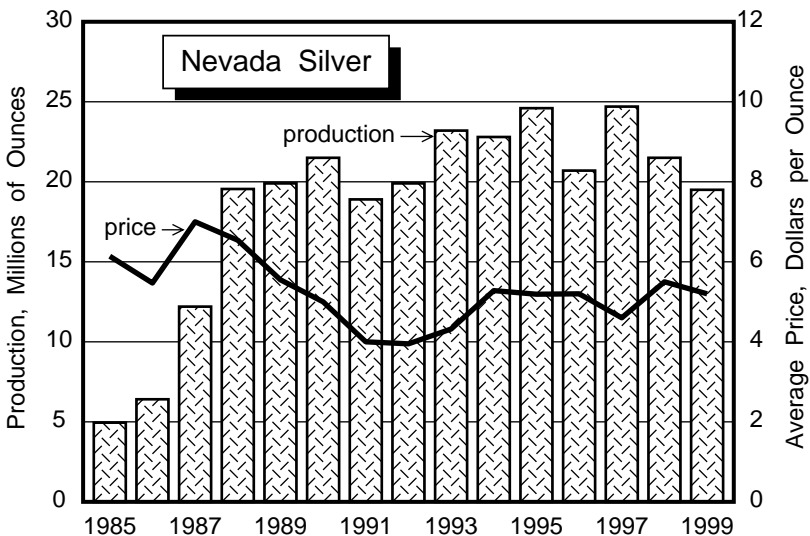
The taxes paid by the mining industry to state and local government include property taxes, sales and use tax, and unique to the minerals industry, net proceeds of mines tax. Based on information from the Nevada Department of Taxation, the property taxes paid by the mining industry in 1999 totaled \$26,372,367. Sales and use taxes paid are calculated to be \$13,716,335, based on

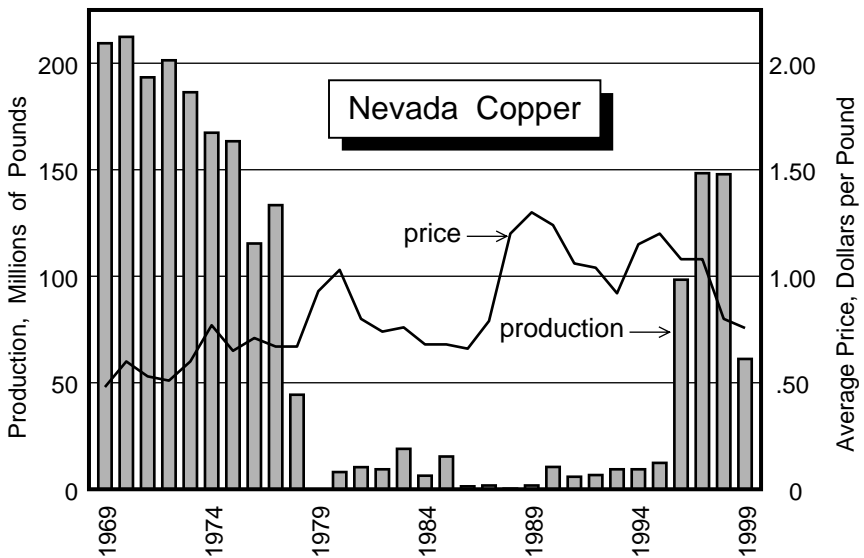
\$211,020,538 in sales multiplied by an average rate of 6.5%. Net proceeds of mines taxes paid in 1999 were \$24,588,728. The grand total of these three taxes is \$64,677,430.

While the economic impact of mining is important to the state as a whole, the greatest impacts are felt by the local communities near the mines. Towns such as Elko, Winnemucca, and Eureka have much healthier economies than they would otherwise because of the high paying jobs, taxes, and contributions provided by the mining industry.

Permitting and Reclamation

Before mining can take place, plans of operation must be submitted and permits must be obtained from federal and state agencies to ensure that other resources such as wildlife, air, and water are protected. Nevada and federal laws and regulations require that lands disturbed by mining activities must be rehabilitated so they can be used for other purposes once mining is completed. This process, called reclamation, returns mined areas to other productive uses such as wildlife habitat, livestock grazing, or new industrial applications. To ensure that reclamation is done, mine operators are required to post reclamation bonds that are held by government agencies. The bonds are released only after





the area is stabilized and the reclamation goals have been met. Over \$447 million in reclamation bonds are currently posted. Mine operators are proud of their efforts and are constantly seeking ways to enhance their reclamation technology.

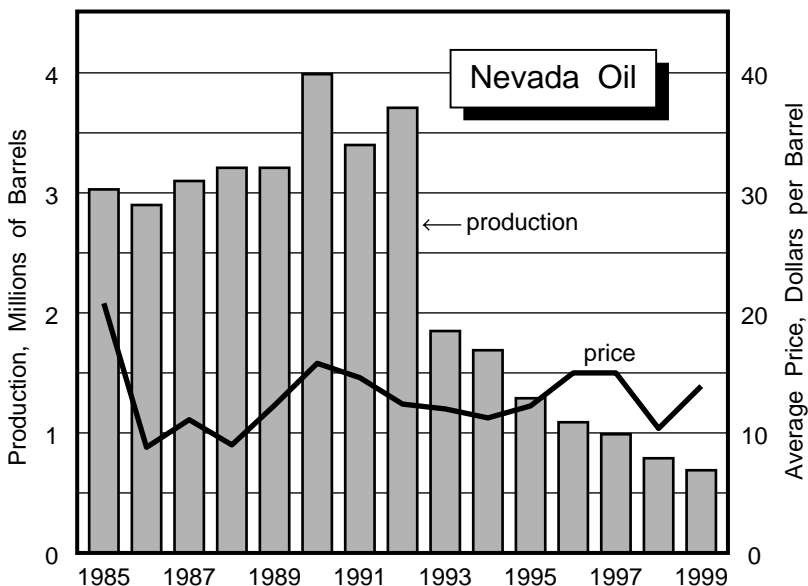
Gold Reserves

Nevada's reported gold reserves at or near currently operating mines that can be mined at a profit under current economic conditions stood at about 87 million ounces at the end of 1999. The amount of reserves is always in a state of flux, with some reserves being lost to production, additional discoveries being made, and changing economic conditions. These reserves are down only one million ounces from the reported reserves in 1998 of 88 million ounces. This is a remarkable achievement considering that over eight million ounces were produced in 1999 and that the average gold price dropped from \$294 per ounce in 1998 to \$279 in 1999. Many Nevada operations are able to add to their reserves each year through development drilling. Extensive gold resources, not currently economic, also exist at many operations. The price of gold and the cost of production are the main factors used to determine whether a reserve is really a reserve or just a sub-economic resource. With the price of

gold steadily dropping for three years, many companies have had to reevaluate their reserves and reclassify some as resources. An increase in the cost of regulatory compliance has the same effect as a lowering of the gold price, thus increasingly complex and expensive regulations can reduce reserves. Under current conditions, the existing proven reserves are sufficient to sustain gold production at current levels for about 10 years.

Exploration

Exploration for new deposits, particularly gold, is an ongoing effort by the producing companies and many others who do not operate mines in the state. Each year, the Division of Minerals conducts an exploration survey to determine the level of exploration activity and the factors that are responsible for those levels. All of the results for 1999 have not been received as yet, but the preliminary indications are that dollars spent on exploration in 1999 were slightly less than the \$87 million spent in 1998. The number of exploration geologists employed is also expected to drop slightly from 1998 levels. These geologists, together with their support staff of drillers, samplers, assayers, and others represent a significant positive economic impact, particularly in Nevada's rural areas.



Minerals Other Than Gold and Silver

Minerals besides gold and silver are also important to Nevada's economy. Copper and industrial minerals such as barite, diatomite, gypsum, limestone, lithium compounds, magnesite, and specialty clays are mined in the state. Sand, gravel, and crushed stone are critical to the building requirements of the state's infrastructure.

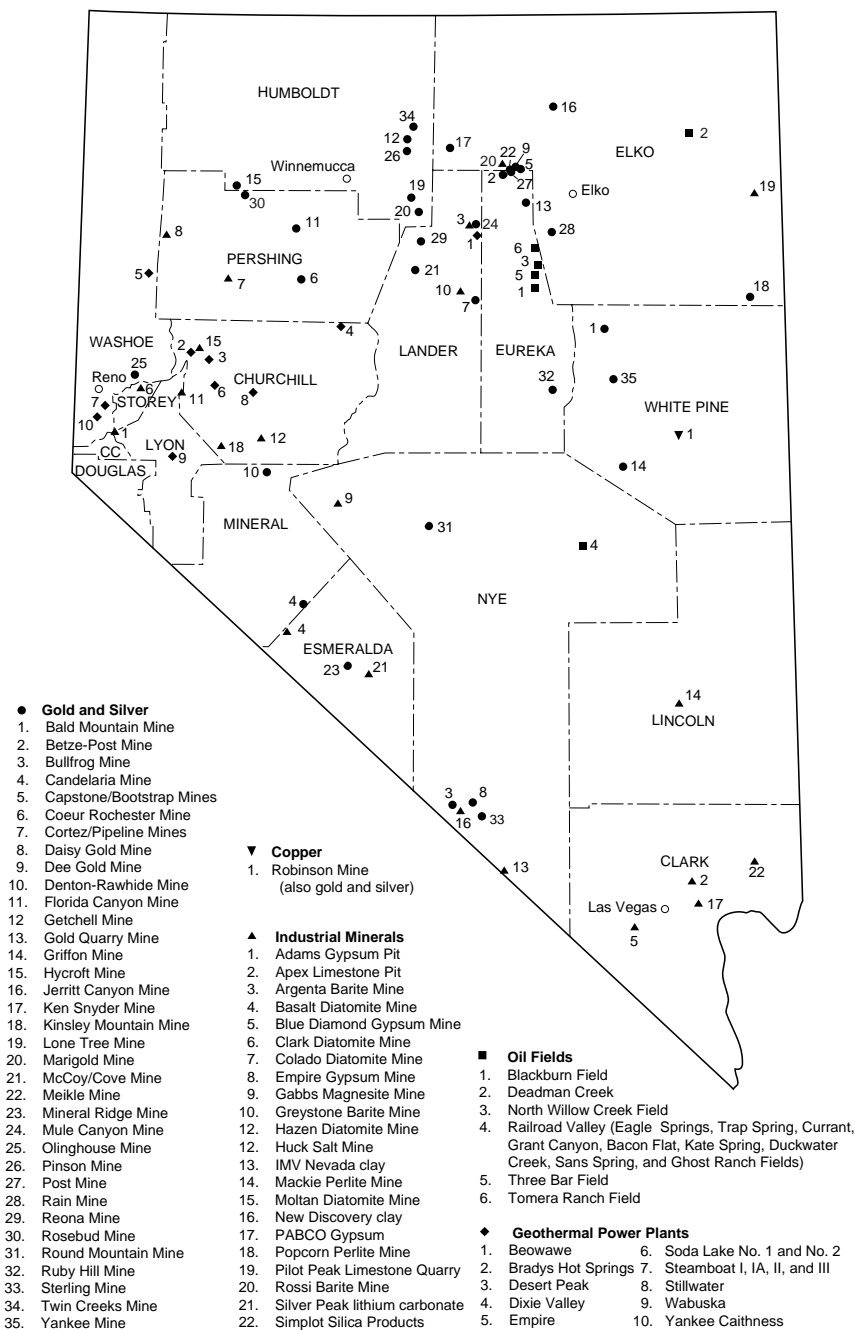
Oil and gas exploration and production in Nevada is a small industry when compared to mining, but it is important to the economy of east-central Nevada. In oil field terms, Nevada is considered a frontier, meaning its potential has yet to be realized. Oil production in 1999 was about 706,000 barrels (42 gallons per barrel) with an average value of about \$13.87 per barrel for a total calculated value of about \$9.8 million. Nevada oil is used for the production of kerosene, diesel, boiler fuel, and asphalt. No natural gas is commercially produced in the state, but minor amounts of gas produced from some wells are used to fuel onsite equipment.

Nevada is rich in geothermal resources. Currently, there are 14 plants at 10 locations that produced a net of

approximately 1.3 million megawatt hours of electricity, which is enough to power about 100,000 typical homes. Geothermal heat is also used for a variety of commercial, domestic, and public applications in Nevada. Mining, aquaculture, and agriculture are among the beneficiaries of geothermal heat. Schools in Elko County, and homes and commercial buildings in Lincoln and Washoe Counties are examples of public and private facilities using this renewable energy resource.

Conclusion

Nevada's mineral industry continued to be a major economic force in the state during 1999. This situation should continue for many years to come. Challenges will exist, as they always have, but Nevada's mineral reserves and the potential to add to them will spur the creativity of the mineral industry. During the past years of relatively low commodity prices, many mineral producers have found ways to reduce their production costs. They will be well positioned to take advantage of increased margins when commodity prices rebound.



Major mines, oil fields, and geothermal plants, 1999.

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The Nevada Bureau of Mines and Geology

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